

§ 870.506 Optional insurance: Cancelling a waiver.

(a) *When there is a change in family circumstances.* (1) A waiver of Option A cannot be cancelled due to a change in family circumstances.

(2) An employee who has waived Option B coverage may elect it, and an employee who has Option B of fewer than five multiples of annual pay may increase the number of multiples, upon his/her marriage or divorce, upon a spouse's death, or upon acquiring an eligible child.

(3) The number of multiples of Option B coverage that an employee can obtain or add (which can't exceed a total of five) is limited to the following:

(i) For marriage, the number of additional family members (spouse and eligible children) acquired with the marriage;

(ii) For acquisition of children, the number of eligible children acquired; and

(iii) For divorce or death of a spouse, the total number of eligible children of the employee.

(4) An employee who has waived Option C coverage may elect it upon his/her marriage or upon acquiring an eligible child. An employee may also elect Option C coverage upon divorce or death of a spouse if the employee has any eligible children.

(5)(i) The employee must file an election under paragraph (a)(2) or (a)(4) of this section with the employing office, in a manner designated by OPM, along with proof of the event, no later than 60 days following the date of the event that permits the election; the employee may instead file the election before the event and provide proof no later than 60 days following the event.

(ii) This 60-day time limit may be extended if the individual isn't serving in a covered position on the date of the event or if the individual separates from covered service prior to the end of the 60-day time limit. This extension cannot exceed the 31-day time limit for electing insurance following employment in a covered position or, for an election under paragraph (a)(4) of this section, the 31-day period following the 1st day on which the individual becomes eligible to cancel a waiver of Basic insurance.

(6)(i) The effective date of Option B insurance elected under paragraph (a)(1) of this section is the 1st day the employee actually enters on duty in pay status on or after the day the employing office receives the election.

(ii) The effective date of Option C insurance elected under this paragraph is the day the employing office receives the election, or the date of the event, whichever is later.

(b) *When there is no change in family circumstances.* (1) An employee who has waived Option A or Option B coverage may elect it if:

(i) At least 1 year has passed since the effective date of the waiver, and

(ii) He/she provides satisfactory medical evidence of insurability.

(2) An employee who has Option B coverage of fewer than five multiples of annual pay may increase the number of multiples if:

(i) At least 1 year has passed since the effective date of his/her last election of fewer than five multiples (including a reduction in the number of multiples), and

(ii) He/she provides satisfactory medical evidence of insurability.

(iii) The requirement for at least 1 year to have passed since the effective date of the last election doesn't apply when an employee elected fewer than five multiples because of the limitation under paragraph (a)(3) of this section.

(3) A waiver of Option C cannot be cancelled without a change in family circumstances, unless authorized during an open enrollment period.

(c) OFEGLI reviews the request filed by an employee who has complied with paragraph (b) of this section and decides whether to approve it. The Optional insurance is effective when, after OFEGLI's approval, the employee actually enters on duty in pay status in a position in which he/she is eligible for insurance and files a Life Insurance Election. If the employee doesn't enter on duty in pay status within 31 days following the date of OFEGLI's approval, the approval is automatically revoked and the employee does not have the Optional insurance requested.

(d) If an employee waived Option A insurance on or before February 28,

1981, the waiver was automatically cancelled effective on the 1st day the employee entered on duty in pay status on or after April 1, 1981. Option A was effective on the date of the waiver's cancellation, if the employee filed an election of Option A during the March 1, 1981, through March 31, 1981, open enrollment period. If the employee didn't file the election with his/her employing office during the March 1981 open enrollment period, the employee is considered to have waived Option A on March 31, 1981.

(e) When an employee who has been separated from service for at least 180 days is reinstated on or after April 1, 1981, a previous waiver of Optional insurance is automatically cancelled, as follows:

(1) An employee who returned to service between April 1, 1981, and December 8, 1983, after a 180-day break in service was permitted to elect any form of Optional insurance by applying to his/her employing office before March 7, 1984.

(2) An employee who returns to service after December 8, 1983, following a 180-day break in service may elect any form of Optional insurance by applying to his/her employing office within 31 days after reinstatement. Coverage is effective on the 1st day the employee actually enters on duty in pay status in a position in which he/she is eligible for insurance on or after the date the employing office receives the election. If the employee doesn't file a Life Insurance Election, in a manner designated by OPM, within the 31-day period, the employee is considered to have waived Optional insurance. However, an employee who fails to file during the 31-day period due to reasons beyond his/her control may enroll belatedly under the conditions stated in § 870.504(a)(3).

(f) An annuitant or compensation officer is not eligible to cancel a waiver of any type of Optional insurance or to increase multiples of Option B under this section.

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§ 870.507 Open enrollment periods.

(a) There are no regularly scheduled open enrollment periods for life insur-

ance. Open enrollment periods are held only when specifically scheduled by OPM.

(b) During an open enrollment period, unless OPM announces otherwise, eligible employees may cancel their existing waivers of Basic and/or Optional insurance by electing the insurance in a manner designated by OPM.

(c)(1) OPM sets the effective date for all insurance elected during an open enrollment period. The newly elected insurance is effective on the 1st day of the first pay period which begins on or after the OPM-established date and which follows a pay period during which the employee was in pay and duty status for at least 32 hours, unless OPM announces otherwise.

(2) A part-time employee must be in pay and duty status for one-half the regularly scheduled tour of duty shown on his/her current Standard Form 50 for newly elected coverage to become effective, unless OPM announces otherwise.

(3) An employee who has no regularly scheduled tour of duty or who is employed on an intermittent basis must be in pay and duty status for one-half the hours customarily worked before newly elected coverage can become effective, unless OPM announces otherwise. For the purpose of this paragraph, employing offices can determine the number of hours customarily worked by averaging the number of hours worked in the most recent calendar year quarter prior to the start of the open enrollment period.

(d) Within 6 months after an open enrollment period ends, an employing office may determine that an employee was unable, for reasons beyond his/her control, to cancel an existing waiver by electing to be insured during the open enrollment period. In this case, if the employee wants coverage, he/she must submit an election within 31 days after being notified of the determination. Coverage is retroactive to the first pay period which begins on or after the effective date set by OPM and which follows a pay period during which the employee was in pay and duty status for at least 32 hours, unless OPM announces otherwise. If the employee doesn't file an election within this 31-